

**TWENTY-FIRST DAY**

(Tuesday, February 12, 1957)

The Senate met at 10:30 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present:

Aikin	Lock
Ashley	Martin
Bracewell	Moffett
Bradshaw	Moore
Colson	Owen
Fly	Parkhouse
Fuller	Phillips
Gonzalez	Ratliff
Hardeman	Reagan
Hazlewood	Roberts
Herring	Rogers
Hudson	Secrest
Kazen	Smith
Krueger	Willis
Lane	Wood

Absent—Excused

Weinert

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation.

On motion of Senator Aikin and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

**Leave of Absence**

Senator Weinert was granted leave of absence for today on account of illness in the family on motion of Senator Krueger.

**Committee to Escort Bobby Morrow**

The President announced the appointment pursuant to the provisions of H. C. R. No. 25 of the following Committee to escort Bobby Morrow to the Joint Session: Senators Ratliff, Hudson, Owen, Hardeman, Ashley.

**Resolution Signed**

The president signed in the presence of the Senate after the caption had been read, the following enrolled resolution:

H. C. R. No. 25, Inviting Bobby Morrow to address a Joint Session of the Senate and House of Representatives at 10:45 a.m., February 12, 1957.

**Message from the House**

Hall of the House of Representatives,  
Austin, Texas,  
February 12, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

S. C. R. No. 6, Authorizing the Board of Regents of the University of Texas to accept a building and laboratory installation from the John W. (Cap) Kidd Memorial Foundation.

S. C. R. No. 9, Concerning appointing a Poet Laureate for the State of Texas.

S. C. R. No. 15, Authorizing the construction of additional floor space to each of the five floors on north of the existing M. D. Anderson Hospital and Tumor Institute at Houston, Texas, without construction or equipment costs to the state.

H. B. No. 71, A bill to be entitled "An Act providing that where a defendant in the course of a criminal action, gives a bail bond or enters into a recognizance before any court or person authorized by law to take same, for his personal appearance before a court or magistrate, to answer a charge against him, the said bond or recognizance shall be valid and binding upon the defendant and his sureties thereon, for the defendant's personal appearance before the court or magistrate designated therein, and for any and all subsequent proceedings had relative to the charge, and that each such bail bond or recognizance shall be so conditioned except as further provided in the Act; providing that when a defendant has once given a bail bond or entered into a recognizance for his appearance in answer to a criminal charge, he shall not be required to give another bond or enter into another recognizance in the course of the same criminal action except as further provided, providing that whenever during the course of the action, the judge or magistrate in whose court such action is pending finds that the bond or recognizance is defective or insufficient in amount, or that the sureties are not acceptable, or for any other good and sufficient cause, such judge or magistrate may, either in term time or in

vacation, order the accused to be re-arrested, and require the accused to give another bond or enter into another recognizance, in such amount as the judge or magistrate may deem proper; (providing that when such bond is so given and approved or when such recognizance is entered into, the defendant shall be released from custody;) providing further that the existing laws governing recognizances and bail bonds given in felony and misdemeanor cases to perfect appeals from any court to the Court of Criminal Appeals shall remain unchanged and are not affected by any of the provisions of this Act; providing that all laws and parts of laws in conflict herewith are repealed to the extent of such conflict; and declaring an emergency."

H. B. No. 172, A bill to be entitled "An Act repealing Acts 1945, Forty-ninth Legislature, P. 274, Ch. 203. (Article 118c-2 of Vernon's Civil Statutes) and declaring an emergency."

Respectfully submitted,  
DOROTHY HALLMAN,  
Chief Clerk, House of Representatives

#### Reports of Standing Committees

Senator Hardeman submitted the following reports:

Austin, Texas,  
February 12, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Jurisprudence, to whom was referred S. B. No. 30, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do not pass, but that Committee Substitute Bill hereto attached do pass in lieu thereof and be printed.

HARDEMAN, Vice-Chairman.

C. S. S. B. No. 30 was read first time.

Austin, Texas,  
February 12, 1957

Hon. Ben Ramsey, President of the Senate.

Sir: We your Committee on Jurisprudence, to whom was referred S. B. No. 35, have had the same under consideration, and we are instructed to report it back to the Senate with the

recommendation that it do pass and be printed.

HARDEMAN, Vice-Chairman.

Austin, Texas,  
February 12, 1957

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Jurisprudence, to whom was referred S. B. No. 36, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

HARDEMAN, Vice-Chairman.

Senator Lane submitted the following reports:

Austin, Texas,  
February 12, 1957

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on State Affairs, to whom was referred H. B. No. 140, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

LANE, Chairman.

Austin, Texas,  
February 12, 1957

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on State Affairs, to whom was referred S. B. No. 106, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass, as amended, and be printed.

LANE, Chairman.

Austin, Texas,  
February 12, 1957

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on State Affairs, to whom was referred H. B. No. 151, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass, as amended, and be printed.

LANE, Chairman.

Senator Kazen submitted the following reports:

Austin, Texas,  
February 11, 1957

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Game and Fish, to whom was referred S. B. No. 201, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

KAZEN, Chairman.

Austin, Texas,  
February 11, 1957

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Game and Fish, to whom was referred S. B. No. 51, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

KAZEN, Chairman.

Austin, Texas,  
February 11, 1957

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Game and Fish, to whom was referred S. B. No. 64, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

KAZEN, Chairman.

Senator Herring submitted the following report:

Austin, Texas,  
February 12, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on State Departments and Institutions, to whom was referred S. C. R. No. 23, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

HERRING, Chairman.

Senator Moore submitted the following reports:

Austin, Texas,  
February 12, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Privi-

leges and Elections to whom was referred H. B. No. 4, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Austin, Texas,  
February 12, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Privileges and Elections, to whom was referred S. B. No. 183, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Senator Willis submitted the following reports:

Austin, Texas,  
February 11, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Education, to whom was referred S. B. No. 70, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

WILLIS, Chairman.

Austin, Texas,  
February 11, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Education, to whom was referred S. B. No. 80, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass as amended and be printed.

WILLIS, Chairman.

#### Senate Resolution 106

Senator Herring offered the following resolution:

Whereas, We are honored today to have as visitors in the Senate Rev. W. A. McCann, formerly of Olney and now from Austin, Texas, and Rev. J. Phillip Hogan; and

Whereas, Rev. Hogan was a Christian Missionary to China and was fortunate to leave in time before the Communists moved in; and

Whereas, We desire to welcome these visitors to the Capitol Building and the Senate of Texas; now, therefore, be it

Resolved, That their presence be recognized by the Senate of the State of Texas and that they be extended the official welcome of the Senate.

The resolution was read and was adopted.

Senator Herring by unanimous consent presented the guests to the members of the Senate.

#### Senate Resolution 107

Senator Moore offered the following resolution:

Whereas, We are honored today to have as visitors in the Senate the Senior Class of the Bremond High School and Mrs. J. B. Carrol and Mrs. Jack Arnold; and

Whereas, We desire to welcome these distinguished visitors to the Capitol Building and Capital City; now, therefore, be it

Resolved, That their presence be recognized by the Senate of Texas and that they be extended the official welcome of the Senate.

The resolution was read and was adopted.

Senator Moore by unanimous consent presented the students and sponsors to the Members of the Senate.

#### Senate Resolution 108

Senator Owen offered the following resolution:

Whereas, We are honored today to have as a visitor in the Senate The Reverend D. C. Whiteside of El Paso, President of the Ministerial Association; and

Whereas, We desire to welcome this distinguished visitor to the Capitol Building and Capital City; now, therefore, be it

Resolved, That his presence be recognized by the Senate of Texas and that he be extended the official welcome of the Senate.

The resolution was read and was adopted.

Senator Owen by unanimous consent presented Reverend Whiteside to the Members of the Senate.

#### Senate Resolution 109

Senator Colson offered the following resolution:

Whereas, Under the auspices of the Texas Council of Churches and the Texas State Council of Methodist Women, the Seminar on State Government is now being held in our Capital City; and

Whereas, Numerous prominent church and state leaders will participate in the programs scheduled for this two day session; and

Whereas, Much time and study will be devoted to the legislative problems which are confronting us at this time; and

Whereas, We are honored to have these fine Christian people with us today; now, therefore, be it

Resolved, By the Senate of the State of Texas, that we commend them for their interest in their State Government and for the inspiring and constructive work which they are doing in this field; and, be it further

Resolved, That these outstanding guests be officially welcomed to their Capitol and the State Senate; that they be recognized by this body and be extended the courtesies of the floor for the day; and that a copy of this Resolution be presented to them.

The resolution was read and was adopted.

Senator Colson by unanimous consent presented the guests to the Members of the Senate.

#### Senate Resolution 110

Senator Moffett offered the following resolution:

Whereas, We are honored today to have as a visitor in the Senate Mr. J. P. Coleman, distinguished citizen of Wichita Falls, Texas; and

Whereas, We desire to welcome this guest to the Capitol Building and Capital City; now, therefore, be it

Resolved, That his presence be recognized and that he be extended the official welcome of the Senate and that he be extended the privileges of the floor for the day.

The resolution was read and was adopted.

#### Senate Resolution 111

Senator Moffett offered the following resolution:

Whereas, We are honored today to

have as visitors in the Senate Mr. Claude Calloway, former member of the House of Representatives and former County Judge of Foard County, his son, Mr. Dan Callaway; Mr. Ray Shirley, County Democratic Chairman, and Mr. J. C. Jones, all prominent citizens of Crowell, Texas; and

Whereas, We desire to welcome these distinguished guests to the Capitol Building and Capital City; now, therefore, be it

Resolved, That their presence be recognized and that they be extended the official welcome of the Senate.

The resolution was read and was adopted.

#### Senate Resolution 112

Senator Reagan offered the following resolution:

Whereas, We are honored today to have in the gallery of the Senate the High School Class of Incarnate Word School of Corpus Christi, accompanied by their teachers, Sister Stanislaus and Sister George; and

Whereas, These students are on an educational tour of the Capitol Building and the Capital City; and

Whereas, This fine group of young American citizens is here to observe and to learn at firsthand the workings of their State government; now, therefore, be it

Resolved, That we officially recognize and welcome these guests and commend them for their interest; and that a copy of this Resolution, properly endorsed, bearing the official seal of the Senate, be mailed to them in recognition of their visit.

The resolution was read and was adopted.

#### Message from the House

Hall of the House of Representatives.

Austin, Texas,

February 12, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

H. B. No. 134, A bill to be entitled "An Act repealing Article 1299, Revised Civil Statutes of Texas, 1925; amending Article 1300, Revised Civil Statutes of Texas, 1925; amending Article 5460, Revised Civil Statutes of Texas, 1925; repealing Article 6605, Revised Civil Statutes of Tex-

as, 1925; amending Article 6608, Revised Civil Statutes of Texas, 1925; eliminating the requirement for separate and privy acknowledgment of conveyance by a married woman; containing a severability clause, repealing all laws or parts of laws in conflict herewith; and declaring an emergency."

Respectfully submitted,

DOROTHY HALLMAN,  
Chief Clerk, House of Representatives

#### Senate Resolution 113

Senator Rogers offered the following resolution:

Whereas, Miss Joann Vaughn of Tulia, Texas, was selected by the Swisher County Farm Bureau to compete for the title of 1956 Queen of the Texas Farm Bureau Federation; and

Whereas, Miss Vaughn was, by virtue of her superior attributes of personality, character and comeliness, elected as 1956 Queen of the Texas Farm Bureau Federation; and

Whereas, She was thereby selected to represent the Texas Farm Bureau at the convention of the American Farm Bureau Federation in Miami, Florida; and

Whereas, Accompanied by her worthy and respected parents, Mr. and Mrs. Marshall Vaughn, she attended that convention and there brought honor to her sponsors and to the great State of Texas, charming all the delegates and visitors at that notable assembly by her pleasing appearance and beauty of demeanor; and

Whereas, The State of Texas is proud and grateful for the generous praise, applause, and recognition given this native daughter of the Texas Plains, and of the fine appearance she made at that great meeting of the American Farm Bureau Federation; now, therefore, be it

Resolved, That Miss Joann Vaughn be accorded the hearty congratulations and thanks of the Senate of Texas; and with her parents, accept our official compliments.

ROGERS

Signed—Ben Ramsey, Lieutenant Governor; Aikin, Ashley, Bracewell, Bradshaw, Colson, Fly, Fuller, Gonzalez, Hardeman, Hazlewood, Her-ring, Hudson, Kazen, Krueger, Lane, Lock, Martin, Moffett, Moore, Owen, Parkhouse, Phillips, Ratliff, Reagan,

Roberts, Secrest, Smith, Weinert, Willis, Wood.

The resolution was read.

On motion of Senator Owen and by unanimous consent the names of the Lieutenant Governor and all the Senators were added to the resolution as signers thereof.

The resolution was then adopted.

#### Senate Resolution 114

Senator Phillips offered the following resolution:

Whereas, We are honored today to have as visitors in the Senate Philip Harriss, Jimmy Helpinstill, Paul McNutt, Jr., Jimmy Porter, Ed Stone and their Explorer Scout Post 367 advisor, Stanton Stone; and

Whereas, We desire to welcome these distinguished visitors to the Capitol Building and Capital City; now, therefore, be it

Resolved, That their presence be recognized by the Senate of Texas and that they be extended the official welcome of the Senate.

The resolution was read and was adopted.

Senator Phillips by unanimous consent presented the guests to the Members of the Senate.

#### Joint Session

(To Hear Message of Bobby Morrow)

The President announced that pursuant to the provisions of H. C. R. No. 25, the time had arrived for the Joint Session to hear an address by Bobby Morrow, Olympic Champion.

The President of the Senate and the Senators present proceeded to the Hall of the House of Representatives at 10:45 o'clock a.m.

The Senators were announced and were admitted and escorted to seats prepared for them along the aisle.

The Presiding Officer (Senator Mofett in Chair) called the Senate to order, and announced a quorum of the Senate present.

Hon. Waggoner Carr, Speaker of the House of Representatives, called the House to order and announced a quorum of the House present.

The Speaker announced the purpose of the Joint Session and presented Representative A. J. Bishop, Jr., as Presiding Officer for the Joint Session.

Mr. Morrow and party were announced by the Doorkeeper of the House.

Mr. Morrow's party was escorted to the Speaker's rostrum by Senators Ratliff, Hudson, Owen, Hardeman and Ashley, on the part of the Senate, and Representatives Bishop, Latimer, Murray, Pipkin and Roberts, on the part of the House.

Mr. Bishop introduced Bobby Morrow of San Benito, Texas, a student of Abilene Christian College and winner of three first place gold medals at the 1956 Olympics in Melbourne, Australia.

Mr. Morrow then addressed the Joint Session.

At the conclusion of the address, Mr. Bishop presented Mr. Morrow with an enrolled copy of H. C. R. No. 25.

#### At Ease

At the conclusion of the address by Bobby Morrow, the Presiding Officer announced at 11:02 o'clock a.m. that the Senate would stand At Ease for five minutes.

#### Joint Session

(To Hear Address by Dr. William C. Menninger)

The Presiding Officer (Senator Mofett in Chair) called the Senate to order in the Hall of House of Representatives at 11:05 o'clock a.m. and announced a quorum of the Senate present.

Hon. Waggoner Carr, Speaker of the House of Representatives, called the House to order, stated the purpose of the Joint Session and announced a quorum of the House present.

Dr. William C. Menninger, accompanied by Dr. Robert L. Sutherland, Chairman of The Hogg Memorial Foundation, and party were announced by the Doorkeeper of the House.

Dr. Menninger's party was escort-

ed to the Speaker's rostrum by Senators Aikin and Hudson on the part of the Senate, and Representatives Schwartz of Galveston, Sanders, Kelly, Shaw, Cary and Baker, on the part of the House.

Honorable Waggoner Carr, Speaker of the House, presented Dr. Sutherland to the Joint Session.

Dr. Sutherland presented Dr. Menninger, General Secretary of the Menninger Foundation of Topeka, Kansas, famed for knowledgeable interpretation of mental illness and mental needs of the public.

Dr. Menninger then addressed the Joint Session on mental health.

At the conclusion of the address by Dr. Menninger, the Presiding Officer announced the purpose of the Joint Session concluded and requested the Senators to retire to the Senate Chamber.

#### In Legislative Session

The President called the Senate to order as in Legislative Session at 11:59 o'clock a.m. today.

#### House Bills on First Reading

The following bills received from the House, were read the first time and referred to the Committees indicated:

H. B. No. 71, to the Committee on Jurisprudence.

H. B. No. 134, to the Committee on State Affairs.

H. B. No. 172, to the Committee on Agriculture and Livestock.

H. B. No. 203, to the Committee on Game and Fish.

H. B. No. 101, to the Committee on State Affairs.

H. B. No. 91, to the Committee on Jurisprudence.

H. B. No. 200, to the Committee on State Affairs.

#### Senate Bills and Resolution on First Reading

The following bills and resolution were introduced, read first time and referred to the committee indicated:

By Senator Krueger:

S. B. No. 228, A bill to be entitled "An Act validating and confirming citations, citations by publication and all notices, and the returns on each, issued, accepted and relied upon by any court of competent jurisdiction prior to January 1, 1956, in any probate proceeding, administration or guardianship in this State, provided the legality of such citations, notices and returns are not being questioned in a court or probate proceeding on the effective date of this Act; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Kazen:

S. B. No. 229, A bill to be entitled "An Act creating a Texas Council on Migrant Labor; providing for its operation; setting out its duties and powers; providing for the establishment of an office and the appointment of an executive director and other employees; and declaring an emergency."

To the Committee on State Affairs.

By Senator Parkhouse:

S. B. No. 230, A bill to be entitled "An Act authorizing the issuance of refunding bonds by school districts and containing provisions relating to such bonds; validating all refunding bonds heretofore issued by school districts and approved by the Attorney General of Texas; providing that all bonds issued by school districts, after they have been approved by Attorney General and registered by Comptroller of Public Accounts, shall be incontestable except for forgery or fraud; and declaring an emergency."

To the Committee on State Affairs.

By Senator Herring:

S. B. No. 231, A bill to be entitled "An Act relating to child-caring and child-placing facilities; amending Article 695c. Vernon's Texas Civil Statutes, which is a part of the Public Welfare Act of 1941, as amended by Acts of the 51st Legislature, Regular Session, 1949, so as to redefine commercial boarding homes.

To the Committee on State Affairs.

By Senator Kazen:

S. J. R. No. 12, Proposing an amendment to Section 2 of Article VI of the Constitution, repealing the payment of a poll tax as a qualification as an elector; requiring the

Legislature to pass a general registration law for voters; providing for the necessary election, proclamation and publication by the Governor.

To the Committee on Constitutional Amendments.

#### Message from Governor

The following emergency message received from the Governor today was read and filed with the Secretary of the Senate:

#### SPECIAL MESSAGE TO THE FIFTY-FIFTH LEGISLATURE

February 12, 1957

In my first message to the Legislature I said: "Either the Board of Insurance Commissioners should be reorganized or its present operations improved and strengthened . . ." This message is in furtherance of my original recommendation.

The insurance business is the third largest industry in Texas. It involves the financial security of most of our people, rich and poor alike. Insurance is the primary safeguard which our people have against possible future loss and disaster.

It is our duty as elected representatives of the people of Texas to see that our insurance laws, and administration of those laws, afford every possible protection to the policy holders, stockholders, and the insuring public.

I commend the 54th Legislature for the insurance reforms which were enacted two years ago. These have done much to restore public confidence and provide more adequate regulations and more effective laws.

However, the problem of administration of these laws has not been solved. Certain directives of the 54th Legislature have not been followed by the Board of Insurance Commissioners. I refer particularly to the 1955 amendments to Articles 1.02 and 1.04 of the Insurance Code, which require that the three Commissioners act as a board rather than in their previous separate capacities as Commissioners of Life, Fire, and Casualty insurance. By the 1955 amendments the previous powers and duties of the three Commissioners were vested in the Board, and the Commissioners were directed to "operate and function as a whole and a majority vote of the members of the Board shall be necessary to transact any official business."

These amendments became effective September 5, 1955, but between that date and January 1, 1957 they were not followed as intended by the Legislature. It is freely admitted and well known that the Commissioners continued to operate their own divisions with separate mailing rooms, machine accounting, agents' licensing, supply rooms, reproduction facilities, and other services. The three Commissioners still maintain offices on separate floors. For the next biennium each Commissioner submitted his individual budget request, signed only by him, for his own division. There has been insufficient exchange of information to give all three Commissioners knowledge of the problems and activities in each division.

After serious and careful study, I heartily concur in the objectives of the 54th Legislature, but conclude that a satisfactory condition will not exist in this department of government under the present type of statutory organization, regardless of who may constitute the board. In all events there should be a unified board operation, and I agree also with the Legislative Budget Board that there should be an executive officer or director responsible to the Board and in charge of coordinating and directing the activities of the Commission.

Now is the appropriate time for this reorganization, before other Commissioners become wedded to the old and inefficient operation. The term of one member expired on February 10, and he is holding over until the vacancy is filled. A second member was appointed on January 1 to fill an unexpired term, and his appointment is still pending in the Senate. The term of the third member expires February 10, 1961.

We cannot longer run the risk of divided responsibility in this critically important field of high public interest.

Our State needs the creation and appointment of a Jim Hogg-type of Commission for regulation of the insurance industry and protection of the public. By this I mean that we need not only a reorganization along the lines of the Railroad Commission and Highway Commission, but we must select the highest type of individuals as members so as to raise the prestige and respect of the Insurance Commission to that enjoyed by the Railroad and Highway Commissions.



When Governor Jim Hogg appointed the Texas Railroad Commission, he persuaded United States Senator John Reagan to resign from the Senate and serve as its chairman along with Judge W. P. McLean and Insurance Commissioner L. L. Foster. With few exceptions the members of the Railroad and Highway Commissions have ranked among our finest public officials, and their services have been marked with patriotic zeal and financial sacrifices.

Equally distinguished men have been willing to serve as Insurance Commissioners, and I have faith that men of this type still can be persuaded to render this high public service on a reorganized Insurance Board.

I, therefore, submit as an emergency matter and urge the earliest possible consideration of legislation reorganizing the Insurance Commission in these primary respects:

1. Creation of a State Board of Insurance with the Chairman and two members to be appointed by the Governor, with the advice and consent of the Senate, to replace the present Board of Insurance Commissioners.

2. Creation of the office of Commissioner of Insurance to be appointed by the new State Board of Insurance with the duties of executive director. He would coordinate and administer the activities of the entire agency in accordance with the law and the policies set by the Board, and subject to the approval and decisions of the Board.

Texas is the only State in the Union which does not have its administration of insurance laws coordinated by a Commissioner or executive head. Even in our own State this arrangement existed until 1927, when the three-pronged administration was created. The Commissioner's duties and responsibilities would be comparable to those of the State Highway Engineer and the Director of the Department of Public Safety. The Board's powers and public hearings would be more comparable to those of the Railroad Commission, with the coordinating executive director relieving the Board of administrative details, thereby providing adequate time for the Board's hearings on policy, appeals, examination reports, rate-making, and other important matters.

Thus, the plan combines the best and most suitable features of the

Railroad Commission and the Highway Commission. It will provide a unified operation with a Board of increased stature and a Commissioner specially trained and experienced in the fields of administration and insurance.

It is my strong conviction that reorganization in the manner recommended will strengthen State regulation and further restore public confidence. Such has been the experience of the States which have a similar form of administration, and it has worked with notable success in other agencies of our own State government.

I also recommend that insurance liquidation be centered either in the courts or in a State Liquidator to be appointed by the State Board of Insurance. The existing divided responsibility between the courts and the Board in the appointment and direction of insurance liquidation has not been satisfactory and should be remedied at the earliest possible time.

This message was in the stage of preparation long before the recent proceeding against the fire and casualty company known as ICT Insurance Company, and the timing had no relation thereto. Such apparent failure of another company only serves to remind us of what we already knew—that the people of Texas are looking to this administration and to the Legislature to make every improvement possible in the administration of our insurance laws to safeguard the future against recurrence of the deficiencies of the past.

I consider these recommendations to be of emergency importance to our State's large insurance industry, but more especially to our people who invest their money and savings in the insurance companies doing business in Texas.

Respectfully submitted,  
PRICE DANIEL,  
Governor of Texas.

Co-Author of Bill

Senator Rogers asked unanimous consent of the Senate to be shown as co-author of S. B. No. 37.

There was no objection offered.

Adjournment

On motion of Senator Hardeman the Senate at 12:13 o'clock p.m. adjourned until 10:30 o'clock a.m. tomorrow.